

achievements. Among those who know him personally he is not only thought of as a great teacher and great preacher but as a child of God.

INTRODUCTION OF THE EQUAL ACCESS TO MEDICARE HOME HEALTH CARE ACT OF 2000

**HON. JAMES P. MCGOVERN**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 22, 2000*

Mr. MCGOVERN. Mr. Speaker, I rise today to join my colleagues—VAN HILLEARY, ROBERT A. WEYGAND, and JOHN PETERSON—in introducing the Equal Access to Medicare Home Health Care Act of 2000. This is an important piece of legislation that will extend the solvency of Medicare to home health care agencies across the country.

Mr. Speaker, Medicare is one of the most important and most popular programs ever implemented in our history. President Lyndon Johnson enacted Medicare into law in 1965. His signature was a statement that older Americans will not go without healthcare once they retire. He told us: "No longer will older Americans be denied the healing miracle of modern medicine. No longer will illness crush and destroy the savings that they have so carefully put away over a lifetime so that they might enjoy dignity in their later years. No longer will young families see their own incomes, and their own hopes, eaten away simply because they are carrying out their deep moral obligations to their parents, and to their uncles, and their aunts. And no longer will this Nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this progressive country."

President Johnson was right. Today, millions of seniors participate in Medicare and this Congress is engaged in a debate to expand the program. One of the most important benefits provided by Medicare to seniors is home health care. Today, over 30 million seniors take advantage of the Medicare home health benefit. This benefit is vital to these seniors because it gives them independence. They can receive treatment in the comfort of their own homes. It is also cost effective. Without home health care, seniors would have to receive their care in the more costly settings of nursing homes or hospitals.

But patient care is in danger because of the actions of Congress. In 1997, Congress passed—without my vote—the Balanced Budget Act (BBA). The net effect of this bill was to cut over \$200 billion out of Medicare. Home health care was not spared from these vicious cuts. According to the Congressional Budget Office (CBO), Medicare spending on home health care dropped 45% in the last two fiscal years—from \$17.5 billion in 1998 to \$9.7 billion in 1999—far beyond the original amount of savings sought by the BBA. Across the country, these cuts have forced over 2,500 home health agencies to close and over 500,000 patients to lose their services.

The provisions in the BBA hit my home state of Massachusetts particularly hard. The home health provisions in the BBA attempted to cut the fraud, waste and abuse in the home health care business. Massachusetts, among

other Northeastern states, has a very efficient home health care system. Yet the BBA hurt Massachusetts very badly. To date, 28 home health agencies have closed, 6 more have turned in their Medicare provider numbers and chosen to opt out of the Medicare program, and 12 more have been forced to merge in order to consolidate their limited resources. In 1998, those agencies still able to serve Medicare patients had \$164 million in net operating losses. Over 10,000 patients have lost access to home health care service in Massachusetts because of the cuts in the BBA. As a result, many patients are relying on their family, most of them untrained to provide the care needed by their loved one, or are moving into more costly nursing homes and hospitals.

This bill that I am introducing today with my colleagues will provide some relief for this ailing industry, thereby allowing these agencies to resume treating seniors in the best way possible. Specifically, this bill addresses four shortcomings. These shortcomings were either caused by the cuts in the BBA or were identified by agencies as reasons why they cannot continue to treat Medicare patients.

First, our bill eliminates the 15% cut in Medicare home health payments. The BBA mandated that home health payments be cut by 15% on October 1, 2000. In 1999, Congress delayed implementation of that cut by one year. However, this cut will be implemented on October 1, 2001. This cut will further devastate this industry. The five national home health associations agree that this cut must be eliminated, and this bill ensures its elimination.

Second, the Equal Access to Medicare Home Health Care Act of 2000 provides relief for overpayments. The BBA mandated that the Health Care Financing Administration (HCFA) create a new payment structure, called the Perspective Payment System (PPS). While HCFA developed the PPS, the agency instituted an Interim Payment System (IPS). Thousands of agencies incurred overpayments during their first year of IPS implementation because they were not notified of their per beneficiary limits until long after these limits were imposed. With regard to IPS overpayments, HCFA does not dispute that beneficiaries were eligible for the services received and that the costs incurred were reasonable. Currently, agencies can opt into a 12-month extension with interest (approximately 13%). If an agency needs more than 12 months, it must request that extension from either the fiscal intermediary or the HCFA regional office. This bill gives agencies an automatic three-year, interest free extension, thereby allowing agencies to have the funds on hand to treat their patients.

Third, our bill provides an extra payment to home health agencies for transportation in rural areas and for security in high crime areas. Thousands of seniors who receive home care services live in rural areas, and the costs to treat these people are high. Agencies incur the travel costs in order to reach these patients and they cannot treat as many people in a single day because of the physical distance between patients. Rural patients deserve the same access to home care as non-rural areas, and this bill will allow agencies that serve rural areas to continue providing service to these areas. Specifically, this bill adds 10% to the base payment for patients in rural areas. Studies show that delivery of

home health services in rural areas is 12 to 15% more costly than average. This 10% add-on to the base payment for rural agencies will help insure care for needy beneficiaries in rural areas by easing the fiscal burden of agencies to treat these patients. Additionally, many agencies operate in high-risk areas and must provide security services to ensure the safety of their home care workers. This provision would reimburse these agencies for the costs of providing such services. The costs eligible for reimbursement would be determined by the Secretary of Health and Human Services, implemented nine months after the date of enactment of the bill.

Fourth, the Equal Access to Medicare Home Health Care Act of 2000 provides access to telemedicine for home health agencies. Technology is improving by leaps and bounds. Telemedicine allows doctors and other health care professionals to examine and sometimes treat a patient through an interactive terminal, like a television. Some home health agencies are already examining patients using telemedicine. Medicare, however, does not reimburse for home health care telemedicine visits, primarily because it is unclear how and to what extent these visits should be reimbursed. For this reason, this bill requires HCFA to study these visits and to report their findings to Congress. This bill also allows home health agencies to list on their cost reports any telemedicine services provided. Cost reporting will provide the data necessary to develop a fair and reasonable Medicare reimbursement policy for home health telemedicine and bring the benefits of modern science and technology to our nation's seniors.

This bill is an important step in continuing the vital home health services provided by Medicare. The BBA hurt home health services, yet, today, Medicare is the most solvent it has ever been. Our nation is experiencing the biggest economic expansion in the history of the world. We must have the political will to improve the systems that provide the necessary services to everyone in this great country. The Equal Access to Medicare Home Health Care Act of 2000 will do just that.

HONORING MR. BOB RUCKER

**HON. GARY A. CONDIT**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 22, 2000*

Mr. CONDIT. Mr. Speaker, I rise today to recognize my good friend, Bob Rucker, and congratulate him for being named Citizen of the Year by the Greater Merced Chamber of Commerce for his outstanding service to the community and his commitment to our future.

Bob is one of Merced County's finest individuals. He readily engages in any and all civic matters to the benefit of all residents of Merced County. His commitment to build the University of California, Merced, campus is commendable. He has dedicated countless hours working to improve the transportation infrastructure of Merced County as well as working to remove graffiti from our neighborhoods.

Bob is a problem solver. He works well in coordinating the efforts of city, county and state officials to improve the quality of life in Merced. He is a tireless advocate on behalf of the business interests in the Merced community. It is my distinct privilege to recognize